

109TH CONGRESS  
1ST SESSION

# S. 2163

To amend titles 10 and 38 of the United States Code, to increase and index educational benefits for veterans under the Montgomery GI bill to ensure adequate and equitable benefits for active duty members and members of the selected Reserve, and to include certain servicemembers previously excluded from such benefits.

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## IN THE SENATE OF THE UNITED STATES

DECEMBER 21, 2005

Mr. KERRY introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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## A BILL

To amend titles 10 and 38 of the United States Code, to increase and index educational benefits for veterans under the Montgomery GI bill to ensure adequate and equitable benefits for active duty members and members of the selected Reserve, and to include certain servicemembers previously excluded from such benefits.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Armed Forces Edu-  
5       cation Benefits Improvement Act”.

1 **SEC. 2. ADJUSTMENT AND ANNUAL DETERMINATION OF**  
2 **EDUCATIONAL ASSISTANCE UNDER THE**  
3 **MONTGOMERY GI BILL FOR ACTIVE DUTY**  
4 **MEMBERS.**

5 (a) IN GENERAL.—Section 3015 of title 38, United  
6 States Code, is amended—

7 (1) in subsection (a), by amending paragraph  
8 (1) to read as follows:

9 “(1) for an approved program of education pur-  
10 sued on a full-time basis—

11 “(A) \$1,584 per month for months during  
12 fiscal year 2005; and

13 “(B) for months during fiscal year 2006  
14 and each subsequent fiscal year, the monthly  
15 amount under this paragraph for the previous  
16 fiscal year multiplied by the percentage increase  
17 calculated under subsection (h); or”;

18 (2) in subsection (b), by amending paragraph  
19 (1) to read as follows:

20 “(1) for an approved program of education pur-  
21 sued on a full-time basis—

22 “(A) \$1,267 per month for months during  
23 fiscal year 2005; and

24 “(B) for months during fiscal year 2006  
25 and each subsequent fiscal year, the monthly  
26 amount under this paragraph for the previous

1           fiscal year multiplied by the percentage increase  
 2           calculated under subsection (h); or”; and  
 3           (3) in subsection (h)(1), by striking “all items”  
 4           and inserting “college tuition and fees”.

5           (b) EFFECTIVE DATE.—The amendments made by  
 6           subsection (a) shall take effect on the first day of the first  
 7           month beginning after the date of enactment of this Act.

8   **SEC. 3. ANALYSIS OF IMPACT OF MONTGOMERY GI BILL**  
 9                           **EDUCATIONAL BENEFITS.**

10          (a) FINDINGS.—Congress finds that—

11               (1) the enhanced educational benefits provided  
 12               under the Ronald W. Reagan National Defense Au-  
 13               thorization Act for Fiscal Year 2005 are an impor-  
 14               tant step in ensuring that members of the Selected  
 15               Reserve are thanked for their increasing role in the  
 16               modern warfare; and

17               (2) when these members return from extended  
 18               tours in Iraq, Afghanistan, and other places, they  
 19               should be provided with immediate access to these  
 20               enhanced educational benefits.

21          (b) COOPERATION.—The Secretary of Defense shall  
 22               work expeditiously with the Secretary of Veterans Affairs  
 23               to ensure that members of the Selected Reserve receive  
 24               the educational benefits referred to in subsection (a) in  
 25               a timely manner.

1 (c) STUDIES.—

2 (1) SECRETARY OF DEFENSE.—The Secretary  
3 of Defense shall conduct a study analyzing the effect  
4 of all Montgomery GI bill educational benefits on re-  
5 cruitment and retention during the 12-month period  
6 beginning on the date on which the enhanced bene-  
7 fits referred to in subsection (a) become available.

8 (2) SECRETARY OF VETERANS AFFAIRS.—The  
9 Secretary of Veterans Affairs shall conduct a study  
10 analyzing the effect of all Montgomery GI bill edu-  
11 cational benefits on the readjustment of veterans eli-  
12 gible for educational benefits under section 3015 of  
13 title 38, United States Code, and chapters 1606 and  
14 1607 of title 10, United States Code, during the 12-  
15 month period beginning on the date on which the en-  
16 hanced benefits referred to in subsection (a) become  
17 available.

18 (3) REPORT.—Not later than 18 months after  
19 the date on which the enhanced benefits referred to  
20 in subsection (a) become available, the Secretary of  
21 Defense and the Secretary of Veterans Affairs shall  
22 submit a report on the results of the studies con-  
23 ducted under paragraphs (1) and (2) to—

24 (A) the Committee on Armed Services of  
25 the Senate;

1 (B) the Committee on Armed Services of  
2 the House of Representatives;

3 (C) the Committee on Veterans' Affairs of  
4 the Senate; and

5 (D) the Committee on Veterans' Affairs of  
6 the House of Representatives.

7 **SEC. 4. ADJUSTMENT AND ANNUAL DETERMINATION OF**  
8 **EDUCATIONAL ASSISTANCE UNDER THE**  
9 **MONTGOMERY GI BILL FOR CERTAIN MEM-**  
10 **BERS OF THE SELECTED RESERVE.**

11 (a) INCREASE IN RATES.—Section 16131(b) of title  
12 10, United States Code, is amended—

13 (1) in paragraph (1)—

14 (A) by striking “at the following rates:”  
15 and inserting “—”; and

16 (B) by striking subparagraphs (A) through  
17 (C) and inserting the following:

18 “(A) for a program of education pursued on a  
19 full-time basis—

20 “(i) \$475 per month for months during fis-  
21 cal year 2005; and

22 “(ii) for months during fiscal year 2006  
23 and each subsequent fiscal year, the monthly  
24 amount under this subparagraph for the pre-

1           vious fiscal year multiplied by the percentage  
2           increase calculated under paragraph (2);

3           “(B) for a program of education pursued on a  
4           three-quarter-time basis—

5                 “(i) \$356 per month for months during fis-  
6                 cal year 2005; and

7                 “(ii) for months during fiscal year 2006  
8                 and each subsequent fiscal year, the monthly  
9                 amount under this subparagraph for the pre-  
10                vious fiscal year multiplied by the percentage  
11                increase calculated under paragraph (2);

12           “(C) for a program of education pursued on a  
13           half-time basis—

14                 “(i) \$238 per month for months during fis-  
15                 cal year 2005; and

16                 “(ii) for months during fiscal year 2006  
17                 and each subsequent fiscal year, the monthly  
18                 amount under this subparagraph for the pre-  
19                 vious fiscal year multiplied by the percentage  
20                 increase calculated under paragraph (2); and”;

21           and

22           (2) in paragraph (2)—

23                 (A) by inserting “beginning on or after Oc-  
24                 tober 1, 2005” after “With respect to any fiscal  
25                 year”; and

1 (B) in subparagraph (A), by striking “all  
2 items” and inserting “college tuition and fees”.

3 (b) EFFECTIVE DATE.—The amendments made by  
4 subsection (a) shall take effect on the first day of the first  
5 month beginning after the date of enactment of this Act.

6 **SEC. 5. OPPORTUNITY FOR CERTAIN ACTIVE-DUTY PER-**  
7 **SONNEL TO ENROLL UNDER THE MONT-**  
8 **GOMERY GI BILL.**

9 (a) IN GENERAL.—Chapter 30 of title 38, United  
10 States Code, is amended by inserting after section 3018C  
11 the following:

12 **“§ 3018D. Opportunity for certain active-duty per-**  
13 **sonnel to enroll**

14 “(a)(1) Notwithstanding any other provision of this  
15 chapter, during the 1-year period beginning on the date  
16 of enactment of this section, a qualified individual (de-  
17 scribed in subsection (b)) may make an irrevocable elec-  
18 tion under this section to receive basic educational assist-  
19 ance under this chapter.

20 “(2) The Secretary of each military department shall  
21 provide for procedures for a qualified individual to make  
22 an irrevocable election under this section in accordance  
23 with regulations prescribed by the Secretary of Defense  
24 for the purpose of carrying out this section or which the  
25 Secretary of Homeland Security shall provide for such

1 purpose with respect to the Coast Guard when it is not  
2 operating as a service in the Navy.

3 “(b) A qualified individual referred to in subsection  
4 (a) is an individual who meets each of the following re-  
5 quirements:

6 “(1) The individual first became a member of  
7 the Armed Forces or first served on active duty as  
8 a member of the Armed Forces before July 1, 1985.

9 “(2) The individual—

10 “(A) has served on active duty without a  
11 break in service since the date the individual  
12 first became such a member or first served on  
13 active duty as such a member; and

14 “(B) continues to serve on active duty for  
15 some or all of the 1-year period described in  
16 subsection (a).

17 “(3) The individual, before applying for benefits  
18 under this section—

19 “(A) completed the requirements of a sec-  
20 ondary school diploma (or equivalency certifi-  
21 cate); or

22 “(B) has successfully completed (or other-  
23 wise received academic credit for) the equivalent  
24 of 12 semester hours in a program of education  
25 leading to a standard college degree.



1           “(4) The individual, when discharged or re-  
2           leased from active duty, is discharged or released  
3           therefrom with an honorable discharge.

4           “(c)(1) Subject to paragraph (2), with respect to a  
5           qualified individual who elects under this section to receive  
6           basic educational assistance under this chapter—

7           “(A) the basic pay of the qualified individual  
8           shall be reduced (in a manner determined by the  
9           Secretary concerned) until the total amount by  
10          which such basic pay is reduced is \$1,200; and

11          “(B) to the extent that basic pay is not reduced  
12          under subparagraph (A) before the qualified individ-  
13          ual’s discharge or release from active duty, an  
14          amount equal to the difference between \$1,200 and  
15          the total amount of reductions under subparagraph  
16          (A), which shall be paid into the Treasury of the  
17          United States as miscellaneous receipts, shall, at the  
18          election of the qualified individual, be—

19                 “(i) collected from the qualified individual  
20                 by the Secretary concerned; or

21                 “(ii) withheld from the retired or retainer  
22                 pay of the qualified individual by the Secretary  
23                 concerned.

24          “(2)(A) The Secretary concerned shall provide for an  
25          18-month period, beginning on the date the qualified indi-

1   vidual makes an election under this section, for the quali-  
 2   fied individual to pay that Secretary the amount due  
 3   under paragraph (1).

4       “(B) Nothing in subparagraph (A) shall be construed  
 5   as modifying the period of eligibility for and entitlement  
 6   to basic educational assistance under this chapter applica-  
 7   ble under section 3031 of this title.

8       “(d) With respect to qualified individuals referred to  
 9   in subsection (c)(1)(B), no amount of educational assist-  
 10   ance allowance under this chapter shall be paid to the  
 11   qualified individual until the earlier of the date on which—

12           “(1) the Secretary concerned collects the appli-  
 13       cable amount under subsection (c)(1)(B)(i); or

14           “(2) the retired or retainer pay of the qualified  
 15       individual is first reduced under subsection  
 16       (c)(1)(B)(ii).

17       “(e) The Secretary, in conjunction with the Secretary  
 18   of Defense, shall provide for notice of the opportunity  
 19   under this section to elect to become entitled to basic edu-  
 20   cational assistance under this chapter.”.

21       (b)       CONFORMING       AMENDMENTS.—Section  
 22   3017(b)(1) of title 38, United States Code, is amended—

23           (1) in subparagraphs (A) and (C), by striking  
 24       “or 3018C(e)” and inserting “3018C(e), or  
 25       3018D(c)”; and

1           (2) in subparagraph (B), by inserting “or  
2       3018D(c)” after “under section 3018C(e)”.

3       (c) CLERICAL AMENDMENT.—The table of sections  
4 at the beginning of chapter 30 of title 38, United States  
5 Code, is amended by inserting after the item relating to  
6 section 3018C the following:

“3018D. Opportunity for certain active-duty personnel to enroll.”.

